



# Maricopa County

Office of the Superintendent of Streets



0000093810

RECEIVED

2901 W. Durango St  
Phoenix, AZ 85009  
Phone: 602-506-8798  
Fax: 602-506-5969  
www.maricopa.gov

ORIGINAL

2009 FEB 18 A 11:01

AZ CORP COMMISSION  
DOCKET CONTROL

Docket Control Center Arizona Corporation Commission  
1200 W Washington St  
Phoenix, Az 85007

January 8, 2009

W-02483A-09-0064  
W-20653A-09-0064

Dear Property Owner:

**Subject: TONTO HILLS DOMESTIC WATER IMPROVEMENT DISTRICT**

The Clerk of the Board of Supervisors received petitions from property owners in the following area requesting an improvement district: in the vicinity of Cave Creek Road and Old Mine Road

A hearing on the petition is scheduled for 9:00 a.m., **January 28, 2009**, in the Board Auditorium at 205 West Jefferson Street, Phoenix, AZ, at which time the board will hear any and all interested parties. Written comments may be sent to the Board of Supervisors, 301 West Jefferson Street, Phoenix, AZ 85003. *If this district is formed, the costs incurred will result in an assessment against your property of an amount proportional to the benefit received.*

If you do not own this property, please notify this office at (602) 506-8798, or, in writing, to 2901 West Durango Street, Phoenix, AZ 85009. If you know of any property owners who did not receive this notice, please have them contact this office. It is our intention to inform all property owners subject to an assessment in this district as to all pertinent facts.

Attached is a copy of a Notice of Hearing on Establishment, which includes the legal description of the district and proposed improvements, and the letter that transmitted the petition, which includes pertinent data and estimated costs.

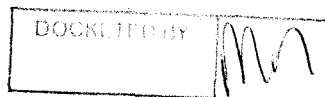
Sincerely,

Robert Herz, P.E., R.L.S.  
Acting Superintendent of Streets

RZ:ba  
Attachments

Arizona Corporation Commission  
DOCKETED

FEB 18 2009



NOTICE OF HEARING ON ESTABLISHMENT OF  
TONGO HILLS DOMESTIC WATER IMPROVEMENT DISTRICT

NOTICE IS HEREBY GIVEN that a petition has been filed with the Clerk of the Board of Supervisors of Maricopa County, Arizona, praying for the establishment of the Tonto Hills Domestic Water Improvement District, under Title 48, Chapter 6, Article 1, Arizona Revised Statutes, 1956, that the boundaries of the proposed district are as follows:

A subdivision of Tract "A" of Exchange Survey No. 659, a survey of record in the United States General Land Office and located in the Tonto National Forest and being part of Sections 9, 10, and 15, Township Six North, Range Five East, G. & S. R. B. & M., Maricopa County, Arizona and recorded in Book 93, Map 5 of Maricopa County Records.

To include:

The establishment of the Tonto Hills Domestic Water Improvement District as authorized under A.R.S. 48-903 and then, establish a separate Board of Directors of said Improvement District as authorized under A.R.S. 48-1012. Said board will be comprised of 5 members to serve said district pursuant to Arizona law and here are the following named qualified electors to serve as the first board of directors:

1. Charles Civer
2. William Victor
3. Don Rex
4. Ralph Spurgin
5. Scott Smallish

That said Board of Supervisors has fixed the hearing on the establishment of said district at the usual meeting place of said Board of Supervisors at 205 West Jefferson Street, Phoenix, Arizona, at the hour of 9:00 a.m., January 28, 2009.

All interested property owners may appear at said hearing and be heard on any matter relating to the establishment of the proposed improvement district. Any persons wishing to object to the hearing on any matter pertaining to the establishment of the proposed improvement district may file their written objections with the said Clerk of the Board of Supervisors before the said date set for hearing.

By order of the Board of Supervisors dated this 17<sup>th</sup> day of December, 2008.

s/s Fran McCarroll  
Clerk of the Board of Supervisors

Published: Arizona Business Gazette  
January 8, 2009  
January 15, 2009



# Maricopa County

Office of the Superintendent of Streets

2901 W. Durango Street  
Phoenix, Arizona 85009

**PLEASE DO NOT SIGN THIS PETITION UNLESS YOU READ AND UNDERSTAND ONCE  
YOU SIGN THIS PETITION, YOUR NAME MAY NOT BE REMOVED**

**DATE:** August 11, 2008

Dear Property Owner:

We have been requested to prepare petition forms and furnish information regarding the formation of a Domestic Water Improvement District as indicated below:

**PROPOSED NAME:** TONTO HILLS DOMESTIC WATER IMPROVEMENT DISTRICT

**LOCATION:** VICINITY OF CAVE CREEK ROAD AND OLD MINE ROAD

**PROPOSED ACTIVITY:** ESTABLISH THE TONTO HILLS DOMESTIC WATER IMPROVEMENT DISTRICT AND APPOINT A FIVE MEMBER BOARD OF DIRECTORS TO PURCHASE AN EXISTING DOMESTIC WATER DELIVERY SYSTEM THAT IS PRIVATELY OWNED AND OPERATED BY THE TONTO HILLS UTILITY COMPANY

The proposed purchase, operation and maintenance of the existing domestic water delivery system is outlined on the petition form attached as Item No. 1 on EXHIBIT "A". There are some very important considerations involved in signing the petition.

1. This petition proposes to establish a domestic water improvement district that shall be governed by an elected board of directors under Title 48, Chapter 6 of the Arizona Revised Statutes for the purposes of providing domestic water to all properties within the district boundary.
2. The Resident and property owners of the Tonto Hills Community, a subdivision located in an unincorporated northeast section of Maricopa County, are petitioning for the establishment of the Tonto Hills Domestic Water Improvement District (District). The purpose of the District is to purchase an existing domestic water delivery system that is privately owned and operated by the Tonto Hills Utility Company (THUC). Additionally, the District proposes to operate and maintain the existing utility that is necessary to serve their community thereby ensuring local control of current water supply.
3. The THUC domestic water delivery system is currently up-for-sale. The major asset of this company is a Central Arizona Project (CAP) annual allocation of 71 acre-feet of water.
4. It is the District's intent to finance the purchase of the existing domestic water delivery system through an Arizona State Agency, the Water Infrastructure Finance Authority "WIFA", which does not impose prepayment penalties for early payoff of outstanding annual assessments.

5. All costs associated with this purchase shall be borne by those properties within the boundary of the District, as shown on the attached map and legally described in Item No. 2 on EXHIBIT "A".
6. It is anticipated that the costs related to purchasing the existing domestic water delivery system will be funded by a WIFA Loan and will be repaid through an assessment levied on the properties within the District as identified per the attached map. **Assessments are proposed to be on a per unit basis.** Based upon preliminary research, it is estimated that the average assessment will be between \$3,300 and \$3,600 per unit.
7. If improvement district proceedings progress, an assessment will be placed on every parcel within the district to pay for the improvements. This assessment may be paid for either:
  - (a) By cash, in the time provided, normally 30 days.
  - (b) By installments of principal and interest, paid semi-annually over, not to exceed, **twenty (20) years.**

(Notice: installments are not equally split. In either May or November \*\*one-twentieth (1/20) of the principal and one-half (1/2) of the interest on the unpaid balance is due. Then in May or November of the same year the other one-half of the interest on the unpaid balance is due. Therefore, the one payment is always larger than the other.) The bond interest rate shall be as determined in the open market through competitive bidding or as prescribed by WIFA.

- (c) By collection as required by WIFA.
- (d) By collection in the manner provided by law for the collection and enforcement of general taxes.

\*\*Due date is dependent on when bonds close or as required by (c) or (d).

8. This is an estimate only and should not be strictly relied upon in determining your support for this district. Even though the effect of inflation has been considered in the above estimate, it is possible that the assessments could be higher due to factors unknown by this office at this time.

**THEREFORE, THE BOARD OF SUPERVISORS, OR OTHER OFFICIALS AND EMPLOYEES OF MARICOPA COUNTY CANNOT GUARANTEE THE ACCURACY OF THE ABOVE ESTIMATE, AND IT IS NOT TO BE STRICTLY RELIED UPON BY THE PETITIONERS OR ANY PROPERTY OWNERS WITHIN THE PROPOSED DISTRICT.**

9. It is also proposed that this District will be governed by an elected board of directors as authorized under ARS 48-1012. Said board to be comprised of 5 members, initially appointed by the Board of Supervisors subsequent to establishment of the domestic water improvement district. The following named qualified electors will serve as the first board of directors:

1. Charles Civer
2. William Victor
3. Don Rex
4. Ralph Spurgin
5. Scott Smallish

10. In addition, it is anticipated that the costs for operation and maintenance of the system, once purchased, will be paid for by property owners within the district through the establishment of **water user rates** as authorized under ARS 48-910. These rates shall be as approved by the elected board of directors.

11. If it is advantageous for the District to do so, the District may join with any other district, governmental agency, person or party to accomplish the operation and/or maintenance of the utility herein purchased.

#### WHO MAY SIGN THE PETITION?

Owners of property within the proposed district boundaries may sign.

#### WHAT CONSTITUTES A SUFFICIENT PETITION?

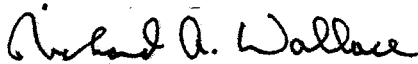
In order to start the proceedings to form the improvement district, the petition must be submitted with the signatures of the following: EITHER a majority of the persons owning real property in the district OR the owners of fifty-one (51%) or more of the real property within the district.

To insure proper validation of multiple copies that may be filed, please be aware that while several different persons could sign AFFIDAVIT NO. 1, ONLY ONE (THE SAME) PROPERTY OWNER MAY SIGN AFFIDAVIT NO. 2 accompanying each of several petition copies.

The petition may be filed at the Office of Superintendent of Streets, 2901 West Durango Street, Phoenix, Arizona 85009.

If there are questions regarding this proposed district, please contact the undersigned at (602) 506-8744 or John Rodriguez at (602) 506-8797.

Sincerely



Richard A. Wallace, P.E.  
Superintendent of Streets